

BEFORE THE
ILLINOIS COMMERCE COMMISSION

INTERSTATE POWER and LIGHT COMPANY)
)
Petition for Approval of Sale of) DOCKET NO.
Utility Assets pursuant to Section) 05-0835
7-102; Approval of the)
Discontinuance of Service pursuant)
to 8-508; Cancellation of Tariffs)
pursuant to 9-201 of the Public)
Utilities Act; and the Granting of)
all other Necessary and Appropriate)
Relief.)

SOUTH BELOIT WATER, GAS and) DOCKET NO.
ELECTRIC COMPANY) 05-0836

Petition for Approval of Sale of
Utility Assets pursuant to Section
7-102; Approval of the
Discontinuance of Service pursuant
to 8-508; Cancellation of Tariffs
pursuant to 9-201 of the Public
Utilities Act; and the Granting of
all other Necessary and Appropriate
Relief.

Springfield, Illinois
Thursday, March 23, 2006

Met, pursuant to notice at 10:00 A.M.

BEFORE :

MR. LARRY JONES, Administrative Law Judge

SULLIVAN REPORTING COMPANY, by
H. Lori Bernardy, Reporter
Ln. #084-004126

1 APPEARANCES:

2 MR. KENT M. RAGSDALE
Alliant Energy Corporate Services, Inc.
3 11470 West Industrial Park Avenue
Galena, Illinois 61036-9538

4
5 (Appearing on behalf of Alliant Energy
Corporate Services, Inc. via telephone.)

6 MR. CHRISTOPHER J. TOWNSEND
MR. CHRISTOPHER N. SKEY
7 DLA Piper Rudnick Gray Cary US LLP
203 North LaSalle Street, Ste. 1500
8 Chicago, Illinois 60601-1293

9 (Appearing on behalf of Jo-Carroll Energy,
Inc. via telephone.)

10

MR. SCOTT McCLURE
11 Interstate Power & Light Company
Alliant Energy
12 4902 North Biltmore Lane
P O. Box 77007
13 Madison, Wisconsin 53707-1007

14 (Appearing on behalf of Illinois
Power and Light Company and South
15 Beloit via telephone.)

16 MS. FREDDI GREENBERG
Royster-Clark Nitrogen, Inc.
17 1603 Orrington Avenue, Ste. 1050
Evanston, Illinois 60201

18

(Appearing on behalf of Intervenor
19 Royster-Clark Nitrogen, Inc. via
telephone.)

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1 APPEARANCES CONTINUED:

2 Ms. LINDA M. BUELL
3 Illinois Commerce Commission
4 527 East Capitol Avenue
5 Springfield, Illinois 62701

6 (Appearing on behalf of the Staff of the
7 Illinois Commerce Commission.)
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| 1 | | <u>I N D E X</u> | |
| 2 | <u>WITNESSES</u> | <u>DIRECT</u> | <u>CROSS</u> <u>REDIRECT</u> <u>RECROSS</u> |
| 3 | (None.) | | |
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| 9 | | <u>I N D E X</u> | |
| 10 | <u>EXHIBITS</u> | <u>MARKED</u> | <u>ADMITTED</u> |
| 11 | (None.) | | |
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P R O C E E D I N G S

JUDGE JONES: Good morning. At this time I'm going to call for hearing two docketed matters. They bear consecutive docket numbers. They have not been consolidated. They will be called for hearing simultaneously this morning as was the case with the initial prehearing conferences.

Doing so creates no presumptions with respect to consolidation issues.

The first of these two matters is 05-0835, Interstate Power and Light Company petition for approval of sale of utility assets pursuant to 7-102 and other relief.

The other matter is 05-0836, South
Beloit Water, Gas and Electric Company. It is also
styled as a petition for approval of sale of utility
assets pursuant to Section 7-102 and for other
relief.

At this time, we will ask the Parties or potential Parties to enter your respective appearances orally for the record in these two proceedings.

1 It will be assumed that you are
2 appearing in both dockets. However, if that is not
3 the case, so indicate.

4 When you enter your appearances,
5 please, also give us your business phone number.

6 So at this time we will ask the
7 Parties to enter your respective appearances; first,
8 on behalf of the respective Petitioners.

9 MR. RAGSDALE: Your Honor, it's Kent Ragsdale.
10 I'm entering my appearance on behalf of Interstate
11 Power and Light Company and also South Beloit Water,
12 Gas and Electric Company.

13 My business address is area code
14 (319) 786-7765.

15 MR. TOWNSEND: On behalf of Jo-Carroll Energy,
16 Inc. and Rock County Electric Association of the law
17 firm of DLA Piper Rudnick Gray Cary U.S. LLP,
18 Christopher J. Townsend and Christopher N. Skey. The
19 business phone Number is (312) 368-4039.

20 JUDGE JONES: Thank you. Who's next?

21 MR. McCLURE: And Scot McClure on behalf of
22 both IPL and South Beloit. The phone number is

1 (608) 458-5141.

2 JUDGE JONES: Are there attorneys from other
3 Parties to enter appearances at this time?

4 MS. GREENBERG: Freddi Greenberg on behalf of
5 Royster-Clark Nitrogen, Inc.

6 We filed a Petition to intervene. I'm
7 appearing only for docket 05-0835. My business
8 address is 1603 Orrington Avenue, Evanston, Illinois.
9 My telephone number is (847) 864-4010.

10 MS. BUELL: Appearing on behalf of Staff
11 witnesses of the Illinois Commerce Commission, Linda
12 M. Buell, 527 East Capitol Avenue, Springfield,
13 Illinois 62701. My telephone number is area code
14 (217) 557-1142.

15 JUDGE JONES: Thank you.

16 Are there any other appearances?

17 (No audible response.)

18 JUDGE JONES: Let the record show there are
19 not.

20 Mr. Ragsdale, are you an attorney
21 licensed to practice law in the state of Illinois?

22 MR. RAGSDALE: No, I'm not.

1 JUDGE JONES: Are you an employee of either of
2 the two Petitioners?

3 MR. RAGSDALE: I'm employed by Alliant Energy
4 Corporate Services Company, a service company
5 affiliate of both Interstate Power and Light Company
6 and South Beloit.

7 JUDGE JONES: Do you seek Special Leave to
8 Appear in these proceedings?

9 MR. RAGSDALE: Yes.

10 JUDGE JONES: And you are licensed to practice
11 law in what states?

12 MR. RAGSDALE: I'm licensed to practice in the
13 states of Iowa and Missouri.

14 JUDGE JONES: Do those two states offer
15 reciprocal opportunities to Illinois attorneys
16 similar to what you're seeking here?

17 MR. RAGSDALE: I believe they do.

18 JUDGE JONES: Do any of the other Parties have
19 any objection to Mr. Ragsdale's Motion for Special
20 Leave to Appear in this proceeding on behalf of those
21 two Applicants?

22 MS. BUELL: No objection from Staff, your

1 Honor.

2 MR. TOWNSEND: No objection, your Honor.

3 JUDGE JONES: Okay, thank you.

4 Let the record show that special leave
5 is granted to Mr. Ragsdale for purposes of these two
6 proceedings.

7 I should also note at this time since
8 we do have several of the Parties appearing by
9 telephone that at least while on the record if you
10 would identify yourself before speaking, that would
11 be helpful to our court reporter.

12 I guess the first question this
13 morning would be whether the Parties have an
14 agreed-to schedule to propose at this time.

15 Do you?

16 MS. BUELL: Your Honor, several weeks Staff
17 circulated one schedule for each docket to the
18 Parties in this proceeding.

19 However, we did transmit the schedule
20 for Docket 05-0835 to Miss Greenberg just yesterday.
21 So I'm not sure that her client has had an adequate
22 opportunity to review Staff's proposed schedule.

1 We did hear from Mr. Ragsdale
2 representing both utilities that both of Staff's
3 proposed schedules were adequate to the utilities.

4 JUDGE JONES: Well, it sounds like there's some
5 sort of proposal out there.

6 Without getting into the merits of it,
7 I believe it would be appropriate at this time to
8 give the Parties an opportunity to discuss scheduling
9 among yourselves.

10 So for that purpose, we hereby go off
11 the record.

12 (WHEREUPON there was then had an
13 off-the-record discussion.)

14 JUDGE JONES: Let the record show there as an
15 off-the-record discussion for the purposes indicated.

16 It's my understanding that the Parties
17 are in agreement on some proposed scheduling to be
18 read into the record at this time.

19 I think the simplest thing is to ask
20 one of the Parties to read what they believe to be
21 that agreed-to schedule into the record. At that
22 point, we'll see if there's and clarification needed,

1 requests to it. We'll also see if there's any
2 objections to it.

3 Ms. Buell, did you want to have the
4 honors?

5 MS. BUELL: Certainly, your Honor.

6 It is Staff's understanding that the
7 Parties have agreed to the following schedule:

8 In Docket Number 05-0835, Staff and
9 Intervenor Direct Testimony, May 1.

10 IPL and Jo-Carroll rebuttal Testimony,
11 June 5th.

12 Staff and Intervenor Rebuttal
13 Testimony, July 11th.

14 IPL and Jo-Carroll Surrebuttal,
15 July 21st.

16 Pretrial Motions will be filed no
17 later than July 25th.

18 And the Evidentiary Hearings will be
19 held August 8th through 10th.

20 This will be followed by simultaneous
21 Initial Briefs on September 7th, and simultaneous
22 Reply Brief on September 21st.

1 And I would add at this point that
2 Staff and Intervenor Rebuttal Testimony that is due
3 on July 11th would provide both Staff and the
4 Intervenors to rebut the Direct Testimony of each
5 other.

6 In addition, this schedule is
7 predicated upon our best efforts to two-week data
8 request turnaround time after Interstate Power and
9 Jo-Carroll file their Rebuttal Testimony.

10 And our best efforts one-week data
11 turnaround time after Interstate and Jo-Carroll file
12 Surrebuttal Testimony.

13 It's also Staff's understanding that
14 the Parties have agreed to the following schedule in
15 Docket Number 05-0836.

16 Staff and Intervenor Direct Testimony,
17 May 8.

18 South Beloit and Rock County Rebuttal
19 Testimony, June 12th.

20 Staff and Intervenor Rebuttal
21 Testimony, July 18th, with the same understanding as
22 in Docket Number 05-0835 with respect to Staff and

1 Intervenors being able to respond to one another.

2 South Beloit and Rock County

3 Surrebuttal Testimony, July 28th.

4 Pretrial Motions no later than

5 August 1st.

6 Evidentiary Hearings August 8 through

7 10th, to be followed by simultaneous Initial and

8 Reply Briefs on September 14th and September 28th

9 respectively, with the same understanding, your

10 Honor, with respect to data request turnaround time.

11 JUDGE JONES: Thank you. Can I see a copy of
12 those two?

13 (WHEREUPON, Counsel hands the
14 document to the Court.)

15 JUDGE JONES: In -0835, the one day applies --
16 the May 1 date applies to Staff and who else?

17 MS. BUELL: That would be Intervenor
18 Royster-Clark Nitrogen, Inc., your Honor, and any
19 other Intervenors that may intervene in the future in
20 that proceeding.

21 JUDGE JONES: Then the July 11th date is
22 available to which Intervenors?

1 MS. BUELL: That would be again Intervenor
2 Royster-Clark Nitrogen and any other Intervenors that
3 may intervene.

4 JUDGE JONES: In the future?

5 MS. BUELL: Correct. It would not include
6 Intervenor Cooperative because in both cases the
7 Cooperative would be filing Rebuttal and Surrebuttal
8 Testimony on the same date that the Utility would.

9 JUDGE JONES: Thank you. And then in -0836,
10 the May 8 date applies to whom?

11 MS. BUELL: I'm sorry your Honor, I don't have
12 that schedule in front of me.

13 Okay, the Staff Intervenor Direct
14 Testimony May 8 date applies to Staff and any
15 Intervenor that may intervene in that proceeding in
16 the future.

17 JUDGE JONES: All right.

18 MR. TOWNSEND: Linda - this is Chris Townsend -
19 could you also clarify this -- maybe you mentioned
20 this, but the turnaround time for data request
21 responses based upon Staff and Intervenor Rebuttal
22 Testimony. We've had agreement that the data

1 responses will be provided within -- correct?

2 MS. BUELL: I'm sorry you were cut off there.

3 MR. TOWNSEND: The question is with regards to
4 data requests that are issued following the Staff and
5 Intervenor Rebuttal Testimony, regarding that
6 testimony, those responses are going to be provided
7 within five business days and Parties will use their
8 best efforts to provide responses in five days,
9 correct?

10 MS. BUELL: That's correct. Staff did agree to
11 that.

12 MS. GREENBERG: We'll agree to that also.

13 JUDGE JONES: All right, thank you.

14 Are there any other points of
15 clarification to or objection to the two proposed
16 schedules that have been advanced?

17 MR. RAGSDALE: No objections from Interstate
18 Power and South Beloit.

19 JUDGE JONES: Thank you. Others?

20 Mr. Townsend?

21 MR. TOWNSEND: No objection, your Honor.

22 MS. GREENBERG: This is Freddi Greenberg, no

1 objection.

2 JUDGE JONES: Thank you.

3 Well, let the record show that those
4 two proposed schedules are hereby implemented for the
5 purposes of this proceeding. The schedules work in
6 the manner outlined by Ms. Buell as clarified during
7 the discussion thereafter on the record.

8 It is noted that there are no status
9 hearings built into the schedule. At this point in
10 time, I will not put any in there at this time. To
11 the extent that the Parties believe status hearings
12 would be appropriate, they can be requested.

13 In that regard, if the Parties are in
14 agreement a status hearing would be beneficial, they
15 can so indicate in some manner - not necessarily
16 requiring a Motion if there's agreement - and a
17 status hearing will be added at that time.

18 In addition, if I believe for whatever
19 reason that a status hearing would be beneficial
20 somewhere in that schedule, I reserve the right to
21 add one or more in there.

22 Hearing-date wise, it appears that

1 August 8th is the next hearing date in the schedule.

2 Is 10 A.M. satisfactory start time for
3 the Parties?

4 MR. TOWNSEND: Yes, your Honor.

5 JUDGE JONES: So we'll make that 10 A.M.

6 Were there other matters the Parties
7 believe need to be addressed today?

8 MS. GREENBERG: Your Honor, our intervention,
9 please?

10 MR. TOWNSEND: And, actually, we have the
11 Co-ops' intervention as well, as well as the Motion
12 to Strike leave to file the Amended Petitions as
13 well.

14 JUDGE JONES: First off, regarding the
15 intervening Petitions, are there any objections to
16 the -- well, let me back up a minute. I'll take
17 these one at a time.

18 In Docket 05-0835, there is a Petition
19 for Leave to Intervene filed on March 17th on behalf
20 Royster-Clark. Are there any objections to that
21 Motion for Leave to Intervene?

22 MS. BUELL: No objection from Staff, your

1 Honor.

2 MR. RAGSDALE: This is Kent Ragsdale, your
3 Honor. On behalf of Interstate Power and Light
4 Company, we have no objection.

5 MR. TOWNSEND: Likewise, Chris Townsend on
6 behalf of Jo-Carroll, no objection.

7 JUDGE JONES: Thank you.

8 Royster-Clark's Petition For Leave to
9 Intervene filed by Ms. Greenberg on March 17, 2006,
10 is hereby granted, subject to the ground rules set
11 out in the Commission's Rules of Practice regarding
12 intervention and the timing of intervention.

13 All right, still in -0835, Jo-Carroll
14 filed a Motion for -- Amended Motion for Leave to
15 Intervene on February 22nd; is that correct?

16 MR. TOWNSEND: That's correct, your Honor.

17 JUDGE JONES: Now has a similar amended Motion
18 for Leave to Intervene been filed -0836?

19 MR. TOWNSEND: Yes, your Honor, on the same
20 date.

21 JUDGE JONES: All right, thank you. Do any
22 Parties have objections to those Motions -- Amended

1 Motions for Leave to Intervene filed in the two
2 dockets as just noted on February 22nd?

3 MS. BUELL: Your Honor, Staff just has one
4 comment about those two petitions for Leave to
5 Intervene.

6 While Staff certainly has no
7 objections to either of the Co-ops intervening in
8 these proceedings, Staff would like to make it clear
9 that it does not agree with certain legal arguments
10 that are made in the Petitions for Leave to
11 Intervene.

12 Otherwise, Staff has no objection to
13 these two cooperatives intervening.

14 JUDGE JONES: Okay, thank you.

15 Anyone else?

16 MR. RAGSDALE: On behalf of Interstate Power
17 and Light and South Beloit, we do not object to
18 either request to Rock County or Jo-Carroll
19 Cooperatives to intervene in the respective dockets.

20 JUDGE JONES: Thank you. Anyone else?

21 (No audible response.)

22 JUDGE JONES: Let the record show there are no

1 other responses.

2 Those two Amended Motions for Leave to
3 Intervene just noted are hereby granted. Granting of
4 Motion creates no presumptions with respect to any
5 arguments that may be contained in those Motions.

6 Next, we'll look at the Motions for
7 Leave to Amend the Petitions, respective petitions in
8 these two dockets, also filed on February 22nd.

9 Are there any objections to the
10 Motions for Leave to file Amended Petitions in the
11 respective dockets filed on February 22, 2006?

12 Any responses?

13 MR. TOWNSEND: No objections from the Co-ops,
14 your Honor.

15 MS. GREENBERG: No objection from
16 Royster-Clark.

17 MS. BUELL: No objections from Staff, your
18 Honor.

19 MR. RAGSDALE: None from me.

20 JUDGE JONES: All right, thank you.

21 Let the record show that those two
22 Motions for leave to file Amended Petitions in these

1 respective dockets are hereby granted.

2 Those petitions as amended are before
3 the Commission in that amended form.

4 All right, anything else that Parties
5 believe warrants attention today?

6 MR. RAGSDALE: I believe that's all we had,
7 your Honor.

8 JUDGE JONES: Okay, thank you.

9 At this time then, let the record show
10 that the above-referenced schedules are in place for
11 the respective dockets.

12 Other actions taken today are noted in
13 the record.

14 Our thanks to Mr. Ragsdale setting up
15 the call-in number.

16 At this time, let the record show that
17 today's status hearing is concluded.

18 In accordance with the above
19 scheduling, this matter is continued to a hearing
20 date of August the 8th at 10 A.M.

21 Thank you. Have a good day.

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1 (WHEREUPON, this hearing is
2 continued to the date of
3 Tuesday, August 8, 2006 at 10:00
4 A.M. in Springfield, Illinois)
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